

IRS News Release

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IRS Grants Tax Relief for Southern California Wildfire Victims

IR-2007-178, Oct. 29, 2007

WASHINGTON — The Internal Revenue Service is extending tax return filing and payment deadlines for victims of the severe Southern California wildfires.

Taxpayers in the Presidential Disaster Area — consisting of Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara and Ventura counties — will have until Jan. 31, 2008, to file returns, pay taxes and perform other time-sensitive acts.

The extended deadline applies to items due on or after Oct. 21, 2007, when the fires began, and on or before Jan. 31, 2008. This includes the federal withholding tax return, Form 941, normally due Oct. 31, and the estimated tax payment for the fourth quarter, normally due Jan. 15.

In addition, the IRS is waiving the failure to deposit penalty for employment and excise deposits due on or after Oct. 21, 2007, and on or before Nov. 5, 2007, as long as the deposits are made by Nov. 5, 2007.

If any affected taxpayer receives a penalty notice from the IRS, the taxpayer should call the number on the notice to have the IRS abate any interest and any late filing or late payment penalties that would otherwise apply during the period from Oct. 21, 2007, to Jan. 31, 2008, or Oct. 21, 2007, through Nov. 5, 2007, for failure to deposit penalties. No penalty or interest will be abated for taxpayers that do not have a filing, payment or deposit due date, including an extended filing or payment due date, during this period.

“As California taxpayers start the recovery process, the last thing they should worry about is meeting a tax deadline,” said IRS Acting Commissioner Linda Stiff. “The IRS offers many resources for disaster victims online at IRS.gov, over the phone and in person.”

IRS computer systems automatically identify taxpayers located in the covered disaster area and apply automatic filing and payment relief. Taxpayers within the covered disaster area do not need to identify themselves as affected by the wildfires by writing on their returns or using the disaster designation in their tax software.

Affected taxpayers who reside or have a business located outside the covered disaster area are required to call the IRS disaster hotline at 1-866-562-5227 to identify themselves as eligible for disaster relief.

Casualty Losses

Affected taxpayers in a presidentially declared disaster area also have the option of claiming disaster-related casualty losses on their federal income tax return for either this year or last year. For details on figuring a casualty loss deduction, see [IRS Publication 547](#), “Casualties, Disasters and Thefts.”

Affected taxpayers claiming the disaster loss on last year’s return should put the Disaster Designation “California Wildfires” at the top of the form so that the IRS can expedite the processing of the refund.